

CHAMPION RESOURCES, INC.

IBLA 82-398

Decided March 30, 1982

Appeal from a decision of the Utah State Office, Bureau of Land Management, rejecting oil and gas lease offer U-46091.

Vacated in part and remanded.

1. Oil and Gas Leases: Applications: Generally--Oil and Gas Leases: Applications: Filing

Where Bureau of Land Management rejects a noncompetitive oil and gas lease application because the applicant's corporate qualifications file did not accurately reflect the corporate structure at the time of the application's filing as required by 43 CFR 3102.2-5(a), and the applicant establishes that its file was current and accurate, the Bureau of Land Management decision will be vacated and the case remanded for further action.

APPEARANCES: Laura L. Payne, Esq., Denver, Colorado, for appellant.

OPINION BY ADMINISTRATIVE JUDGE LEWIS

This appeal is taken from a decision dated December 29, 1981, by the Utah State Office, Bureau of Land Management (BLM), rejecting oil and gas lease offer U-46091 as follows:

Secs. 3 and 9, T. 13 S., R. 10 W., SLM, Utah, are included in oil and gas lease U-46056. The corporate qualifications for Champion Resources were not complete until August 7, 1980, at which time an intervening offer had been filed for Secs. 18 and 30 [of the same township]. The conflicting offer was complete as of the time of the filing.

Appellant's noncompetitive over-the-counter offer was filed on June 23, 1980. On item 5 of the application form appellant indicated that its corporate qualifications had been filed under C-29364.

The appeal is limited to that part of the decision rejecting the offer as to land secs. 18 and 30. Appellant contends that its complete corporate

qualifications were on file in the Colorado State Office when offer U-46091 was filed, as required by 43 CFR 3102.2-5(a). That regulation, effective June 16, 1980, reads:

(a) A corporation which seeks to lease shall submit with its offer, or application if leasing is in accordance with Subpart 3112 of this title, a statement showing:

(1) The State in which it is incorporated;

(2) That it is authorized to hold oil and gas leases;

(3) A complete list of corporate officers, identifying those authorized to act on behalf of the corporation in matters relating to Federal oil and gas leasing;

(4) The percentage of voting stock and of all the stock owned by aliens; and

(5) The names and addresses of the stockholders holding more than 10 percent of the stock of the corporation.

Appellant has submitted as its exhibit A-1 a copy of its Statement of Corporate Qualifications on file under C-29364. One of the items on this statement reads: "The following named officers are authorized to act on behalf of the company in all matters relating to such leases:" This item is followed by the typed names of Richard A. Champion, President, and Roland F. Champion, Vice President and Secretary. On June 6, 1980, Richard A. Champion visited the Colorado State Office and, in handwriting, amended his title to read "President-Treasurer." He attested the alteration with his signature and the date in the margin. Appellant explains that in response to a letter dated August 6, 1980, from the Colorado State Office, which letter advised of the amendments to the regulations effective June 16, 1980, Richard A. Champion again went to the Colorado State Office on the following day. On this visit, he hand wrote "This is a complete list of all the officers 8-7-80 RAC" above the typewritten names Richard A. Champion and Roland F. Champion.

In the statement of reasons appellant asserts that "[a]pparently the Utah State Office considered the statement of qualification incomplete until August 7, 1980, when that notation was added even though, at all times prior thereto and on the date lease offer U-46091 was filed, the only officers of appellant corporation were Richard A. Champion and Roland F. Champion" (Statement of Reasons at 3). Appellant contends that while the regulation requires a complete list of the names of the corporate officers, it does not require a statement that the list is a complete list. Therefore, appellant argues, its corporate qualifications in C-29364 met all the requirements of the regulations when its offer U-46091 was filed on June 23, 1980. As exhibit B, appellant has submitted the affidavit of Richard A. Champion stating that when U-46091 was filed the only officers of the corporation were Richard A. and Roland F. Champion.

[1] In lieu of separate filings each time it files a new application the corporate applicant may file an appropriate statement for reference in

one of the BLM state offices requesting that it be given an identification number, and refer to that number on subsequent applications so long as it remains current. 43 CFR 3102.2-1(c). Amendments to the file may be attached if the file is not current and reference to the file made to establish qualifications for a particular application. Cimarron Corp., 61 IBLA 90 (1981). For the following reasons, we think offer U-46091 referenced a currently complete and accurate file of appellant's corporate qualifications.

In amending the qualifications statement by adding the sentence "This is a complete list of all the officers," appellant's president explained that the two officers listed as those authorized to act on behalf of the corporation were, in fact, all of its officers. While this change gives a clearer picture of appellant's corporate structure, it is not a statement required by regulation. As appellant points out, the regulations require only a complete list of corporate officers, not an attestation that the list is complete. The facts in Black Jack Oil Co., 59 IBLA 163 (1981), closely parallel those in the case before us. In Black Jack, the applicant referenced its application to corporate qualifications on file elsewhere. The file listed its corporate officers authorized to sign oil and gas lease applications. Without so stating, it listed all of appellant's corporate officers, at the time the application was filed. Appellant's acquisition of an additional officer, more than a month after selection of its offer, could not invalidate that application because its officers at the time of filing were the same as those identified in the file. This circumstance is controlling in the case before us. Had appellant refrained from adding the sentence to the qualifications statement, its qualifications would still have been complete because it listed all officers at the time offer U-46091 was filed. Since appellant has shown that its file was current and accurate, BLM's decision must be vacated insofar as it rejected lease offer U-46091 for failure to file complete corporate qualifications.

Accordingly, pursuant to the authority delegated to the Board of Land Appeals by the Secretary of the Interior, 43 CFR 4.1, the decision is vacated insofar as it rejected the application with respect to land Secs. 18 and 30, and the case is remanded for action consistent with the above opinion.

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Anne Poindexter Lewis  
Administrative Judge

We concur:

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Edward W. Stuebing  
Administrative Judge

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Gail M. Frazier  
Administrative Judge

